



1 Executive Summary

Background

In recognition that the MBC Licensing Program had a series of underlying systemic problems, the Executive Director directed the Licensing Chief to start the process of hiring a Business Process Reengineering consultant 18 months ago. At the same time, the Licensing Chief undertook a number of initiatives to begin the process of rebuilding the Licensing Program into a stronger and more efficient organization capable of processing its workload within statutory timeframes and in a quality manner. The BPR Study is intended to identify the steps remaining to complete this rebuilding process.

The Licensing Program hired Hubbert Systems Consulting Inc. (HSC) in August 2009 to conduct a four-month Business Process Reengineering (BPR) Study. The BPR Study is part of a multi-phased plan that was presented by the Licensing Program Chief to the MBC Executive Committee in October 2009.

Business Process Reengineering (BPR) Study

The purpose of the BPR Study is to identify improvements in the Licensing Program to increase process efficiency, facilitate consistent and continued statutory and regulatory compliance and improve focus on customer service. The scope included licensing and renewal processing and those MBC offices that support licensing and renewal processes such as the Consumer Information Unit (CIU) Call Center, Information Systems Branch (ISB), and Graduate Medical Education (GME) outreach.

The HSC BPR Study Team worked closely with MBC's Licensing Program Chief, her staff and the Executive Director throughout the BPR Study. Business process maps were developed, current process and workload were observed,



recommendations developed to meet the BPR study objectives and the outline of an implementation plan presented. The report and its recommendations will serve as a road map for rebuilding the MBC Licensing Program over the next 24 months.

Due to various factors related to the current environment, short-term directives, and the anticipated increase in application receipt and workload from January through June, the HSC BPR Study Team informally released several recommendations in advance of the publication of this report, as requested by the MBC Licensing Chief. These recommendations are in various stages of implementation.

The BPR study supports the program's long-term objectives to:

- Create a sustainable organization with appropriate processes and procedures, resources levels and the systems to efficiently process its workload and match supply/effort to predictable as well as unanticipated demand
- Fully comply with current statutes and regulations, including processing timeframes
- Deliver a high level of satisfaction for MBC's stakeholders - medical license applicants as well as for others associated with the licensing process
- Provide a professionally satisfying team work environment

When viewed from the perspective of MBC and its stakeholders, rebuilding the Licensing Program into an efficient, results-oriented program with sufficient flexibility to meet ever changing and variable demands is one of the organization's top priorities. Implementation of the BPR recommendations will require significant amounts of effort and support from MBC management, staff, and the Board. However, the anticipated benefits of a stronger organization, consistent statutory and regulatory compliance, and increased applicant, healthcare professional, MBC staff and customer satisfaction more than justify the effort required.



Key Observations

The Licensing Program can generally be characterized as a reactionary organization where the focus of the resources shifts throughout the year in response to changing near-term priorities. Over the last year the organization experienced significant shifts in priorities. For example, priorities shifted in response to the demands of residents and fellows needing licensure to start and/or continue training. Another example of a shift in priorities was the extensive training and quality assurance reviews required when temporary staff were brought on to assist in eliminating the backlog when the organization was resource constrained. What is unclear is whether this is because the workload naturally shifts or whether the changes are reactionary to the “crisis at hand”; the latter is considered most likely due to the historical lack of workload management reports and the inadequate staffing in the organization.

Key observations from the BPR Study include:

- **Processes and procedures and other vital infrastructure elements require significant improvement to meet the demands of the Licensing Program.**

Over the last 18 months, there has been a considerable effort made to upgrade the infrastructure, such as the creation of the Application Policies and Procedures Manual and these efforts must continue. The staff assigned to the infrastructure improvements are also assigned other tasks such as new staff training, quality review for newly trained staff, database coordination with MBC Information Systems Branch (ISB) and Department of Consumer Affairs Office of Information Services (DCA OIS), workload metrics gathering and reporting, and senior level application processing. This has made it difficult to power through the work required. The BPR Study Team observed several infrastructure projects started and stopped due to short term urgent shifts in



priorities. Infrastructure improvements must have a higher priority and dedicated resources assigned to them.

- **The Licensing Program has been resource (staff) constrained over the past several years.** Temporary staff, including Retired Annuitants and Student Assistants, combined with the use of overtime have been used to address this constraint. These temporary resources have also added complexities, as training and additional management are required for these fractional and less experienced resources. Many of the problems the Licensing Program has experienced over the last several years will be eliminated through proper staffing, decreasing use of temporary staff and overtime, and integrating positive organizational changes.
- **The current staff-to-management ratio is at the unreasonable level of approximately 20:1.** As a result, the two application licensing managers are often unavailable to staff to answer questions; therefore, staff go to other staff for answers to questions, often resulting in inconsistencies. The managers also have little time to oversee infrastructure projects. It is recommended that additional management be added to the organization to achieve a more appropriate level of supervision and the program be reorganized around logical functional groupings.
- **The Licensing Applicant Tracking System is inadequate for the transactional-based work.** The 20+ year old database is cumbersome to navigate, sometimes creating extremely archaic business rules. For example, with the current database system, Postgraduate Training Authorization Letter (PTAL) application files remain open for several years until licensure or closed for due diligence. This makes regulatory compliance tracking and reporting difficult. The Licensing Program can be made more efficient by rethinking some work processes related to the Applicant Tracking System (ATS) and making modifications in the near-term to the ATS that will be incorporated into the new system. The Department of Consumer Affairs plans to replace the Applicant



Tracking System and Consumer Affairs System with BREEZE2 in December 2012. This replacement database should significantly improve operations.

- **Management reports have historically been non-existent, with no real time information concerning the status of the organization's workload and application inventory.** Management of the program is nearly impossible without workload reports to identify total inventory, inventory fluctuations, and aging inventory. Licensing Program workload reporting created through manual counts was started in August 2008 and identified nearly 7,000 applications awaiting some form of action. A software reporting tool was obtained by MBC Information Systems Branch (ISB) in August 2009 and ISB, MBC and the BPR Study Team worked together to automate initial workload reports; this eliminated the need for manual counting. However, considerable effort is still needed in this area to provide the appropriate level of reporting to effectively manage the resources and application resources.
- **The Licensing Program workload fluctuates throughout the year.** This is due to a combination of a variation in the number of applications received on a weekly and monthly basis and the demands of the residency program applications. The residency programs represents a significant, six-month workload peak with a July 1 licensing deadline each year. These fluctuations magnify the existing management, staffing and workload challenges and create additional issues. Management would benefit from a better workload forecasting tool, which includes a five-year history, so that resources can be adjusted to address workload fluctuations.
- **During the BPR Study, considerable effort was expended toward eliminating the licensing backlog.** The backlog can be attributed to all of the issues listed in the above bulleted items. It would be unwise to immediately declare success now that the backlog has been eliminated. If the organization proceeds ahead without correcting these identified issues, then MBC can likely expect another "backlog-type" issue to reemerge from the Licensing Program



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in the future. It is recommended that a more appropriate goal for the organization would be to conduct initial application reviews within 60 calendar days of application receipt. (Sixty calendar days is 30 days less than the current regulatory timeframe of 90 days.) Resources such as Retired Annuitants, Student Assistants, and overtime should be continued until that level is sustained for several months.



Over the last 18 months, the Licensing Program management team started, and in some cases completed, a series of initiatives to improve the performance of the organization, including:

Table 1 - Creating a Sustainable Licensing Program (Phase 1)

	Recent Activities	Benefits
Process and Procedures	<ul style="list-style-type: none">• Developed policy and procedure manual for processing physician applications and assessing supporting documents (other sections such as Senior Staff review needs to be completed)	<ul style="list-style-type: none">• Provides consistent standards for staff to review applications and determine actions
Resources	<ul style="list-style-type: none">• Hired and trained 9 new full-time employees in 2009 (5 replaced long- term staff who retired in 2009)• Trained several MBC staff from other programs• Hired and trained 12 new part-time Retired Annuitants and Students Assistants in 2009 to augment the work of full-time staff (8 since October 2009)• Created and deployed an effective training program in support of these resources	<ul style="list-style-type: none">• Trained 17 new review staff hired since January 2009 as well as other MBC staff required to eliminate the back log by the end of Dec. 2009• More license reviewers available to review applications and supporting documents, thus lowering processing times and eliminating the backlog• Lower staff-to-applicant caseloads assisted in reducing processing times, allowing better customer service



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	Recent Activities	Benefits
Web Application Access System (WAAS) Project	<ul style="list-style-type: none"> • Developed new online WAAS for applicants to check status of their application in real-time • Implemented December 2009 • Continue to determine improvements and ensure reliability and timeliness of data presented 	<ul style="list-style-type: none"> • Major step towards establishing electronic communications (e.g. MBC Web site and email) as the primary communications for all applicants in the licensing process, but a long ways from state of the art unified communications approach • Provided increased license application status info services to applicants • Reduced the number of application status-related calls to MBC • Accomplished significant ATS data clean-up • Implemented document handling and recording procedures.
Management Reports	<ul style="list-style-type: none"> • Obtained and integrated Ad Hoc Software Reporting Tool to generate automated management reports in August 2009 • Created automated management reports for application inventory and work productivity in September 2009 	<ul style="list-style-type: none"> • Significantly improved understanding into dynamics behind program workload • Enabled management to effectively deploy resources



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	Recent Activities	Benefits
Eliminate the Backlog	<ul style="list-style-type: none">• Eliminated the licensing backlog through a coordinated MBC staff effort on December 23, 2009	<ul style="list-style-type: none">• Customer satisfaction• Meeting regulatory timeframe• Collectively learned a lot about the organization and its systemic problems• Improving employee morale

The initiatives listed above address underlying systemic problems and create a solid investment in a series of building blocks in the Licensing Program. At the same time, it is apparent that more needs to be done in terms of investing in the Licensing Program's resources, infrastructure and data systems in order for the Program to be a sustainable organization capable of executing its work effectively, and providing high customer satisfaction.



Recommendations

Observations across business processes and support entities were found to have common themes. Recommendations developed based on these observations fit into three categories: Infrastructure, Information Technology (IT) and Resources. The recommendations included in this report are a collective list identified by the MBC Licensing Program or by HSC BPR Study Team.

Table 2 – General Observations and Recommendations

The table on the following page provides a one-page overview of the observations and recommendations discussed further in the main body of this report. The table includes:

- **General observations** for each of the three recommendation categories: Infrastructure, Information Technology, and Resources and Organization
- **BPR Study recommendations** for each category with **Priority level** (High, Medium and Low), **Cost level** (High, Medium and Low), and **Benefits** for each recommendation.

These recommendations are discussed in further detail in Section 6 with additional information in Section 9.3. Recommendations include information on the costs and benefits, qualitative and quantitative metrics and recommended priority.

Table 2 – General Observations and Recommendations

Overall observations:

- The Licensing Program has a series of underlying systemic problems that are significantly inhibiting the organization from operating efficiently.
- If the organization proceeds without correcting these issues, then MBC can likely expect another “backlog-type” issue to reemerge from the Licensing Program in the future.

Note: In the table below, there is not a one-to-one correlation for each general observation and recommendation. There is a direct correlation between each recommendation and the priority, cost and benefit

	General Observations	Recommendations	Priority	Cost	Benefits
Infrastructure	<ul style="list-style-type: none"> ➤ Processes and procedures and other vital infrastructure elements require significant improvement to meet the demands of the Licensing Program ➤ 76% of US/CAN and 94% IMG applications and supporting documents have errors upon first review ➤ Electronic clearinghouse (e.g. FSMB, AMA) can improve information flow ➤ Licensing staff are most valuable resource and needs to be involved in implementing BPR recommendations ➤ Commitment to a vibrant QA program essential ➤ Clarification needed requiring PTAL renewals and ATS changes needed to track and manage PTALs ➤ Application of WAAS, updating the Web site portal are good initial steps to improving stakeholder communications ➤ Potential value in adopting a Postgraduate Training Program permit for US/Can applicants 	<ol style="list-style-type: none"> 1. Continue to advance Policy and Procedure Manuals 2. Increase uninterrupted time available for review tasks 3. Strengthen program-wide Quality Assurance (QA) processes 4. Create process to capture and assess Staff suggestions 5. Implement a Continuous Process Improvement program 6. Revise Application and Instructions 7. Implement Application Set-up Worksheet 8. Integrate Checklist into Application 	High Medium High	Medium Low Low	<ul style="list-style-type: none"> • Improved staff effectiveness and standardized process • Improved staff time for application processing • Increased productivity through reduction of errors
		<ol style="list-style-type: none"> 9. Revise Fee Schedule and Licensing Invoice Letter 10. Implement Application Update Forms 11. Continue use of FSMB forms and expand to iPickup 12. Resolve Postgraduate Training Authorization Letter (PTAL) issues and make appropriate changes 13. Update MBC Website content on Applicant Tab 14. Implement Consumer Information Unit enhancements 15. Assess use of AMA's Physician Professional Database 16. Evaluate viability of Postgraduate Training Permit concept 	Medium Medium High Medium Medium High	Low Medium Medium Low Low	<ul style="list-style-type: none"> • Continuous improvement and staff satisfaction • Increased collaboration, staff morale and stakeholder satisfaction • Faster application processing through less “errors” and omissions • Allows for improved efficiencies and adds staff productivity metrics • Improved communications between MBC and applicants • Improved communications between MBC and applicants • Higher productivity and stakeholder satisfaction • Improved staff effectiveness and overall process improvement • Better tracking and management of PTALs
Information Technology	<ul style="list-style-type: none"> ➤ Management Reports have historically been non-existent, with no real time information concerning the status of the organization's workload ➤ ATS is inadequate for the transactional-based work especially when a IMG applicant transitions from postgraduate training to a medical license ➤ Significant efficiencies available through extending how the Program communicates electronically ➤ Significant process efficiencies have been gained by similar organization through transitioning to document control systems 	<ol style="list-style-type: none"> 1. Implement new Management Report recommendations 2. Track DCA/ISB requests and action items 3. Evolve ATS capabilities to address MBC needs 4. Explore ways to increase use of electronic communications 5. Assess approach for DCA/ISB secured portal electronic L3A/B 6. Actively support DCA's development of the BREEZE2 Database System 7. Evaluate use of a Document Management System 	High Medium High Medium Medium High Medium	Medium Low Medium Medium Medium High High	<ul style="list-style-type: none"> • Real-time information will improve the management effectiveness • Improved communications • Improved staff effectiveness and overall process improvement • Improved communications between MBC and stakeholders • Faster document submittals/license approvals • Significant improvement in MBC processes though integration of modern IT database • Better workload distribution and improved document tracking
		<ol style="list-style-type: none"> 1. Advance Staffing recommendations - Seek approval for 7 additional full time staff and managers. Immediately hire 4 additional positions approved in BCP 2. Reorganize Licensing Program and reinforce roles and responsibilities 3. Restructure Administrative Support workflow 4. Change name of Consumer Information Unit 5. Shift clerical work done by Review Staff to Support Staff 6. Continue to create and deploy effective training programs 7. Work inventory to achieve initial review within 60 days 8. Establish performance objectives, program-wide staffing plans and metrics 	High High Medium High Medium Medium High High	Medium Medium Medium Low Low Low Medium Low	<ul style="list-style-type: none"> • Create a properly sized and effective organization with minimal use of overtime and temporary staff • More effective and collaborative organization with improved employee morale with increased accountability, reporting and consistency • Increase ability to address varied skillsets needed • Better customer service • Improved staff effectiveness and employee satisfaction • Create professionally satisfying work environment and higher work quality • Higher stakeholder satisfaction and increase staff morale • Increase management's ability to address workload fluctuations and identify staff issues
Resources and Organization	<ul style="list-style-type: none"> ➤ Licensing Program has been resource constrained over the past several years. ➤ The current staff-to-management ratio is at the unreasonable level of approximately 20:1 ➤ The organization and its processes are out of alignment with its mission ➤ The organization needs a combination of initiatives including continuous improvement, quality control and training to improve the work environment and increase customer satisfaction ➤ The effective use and management through performance metrics is critical to meet expectations 				



Implementation Schedule

It is recommended that the implementation of the recommendations be split into two phases for the following reasons:

- Overall complexity and scope of the Implementation Plan
- The “limited” amount of staff effort that can be devoted to these recommendations while maintaining current workloads
- The uncertainty to some of the scope and cost of work identified

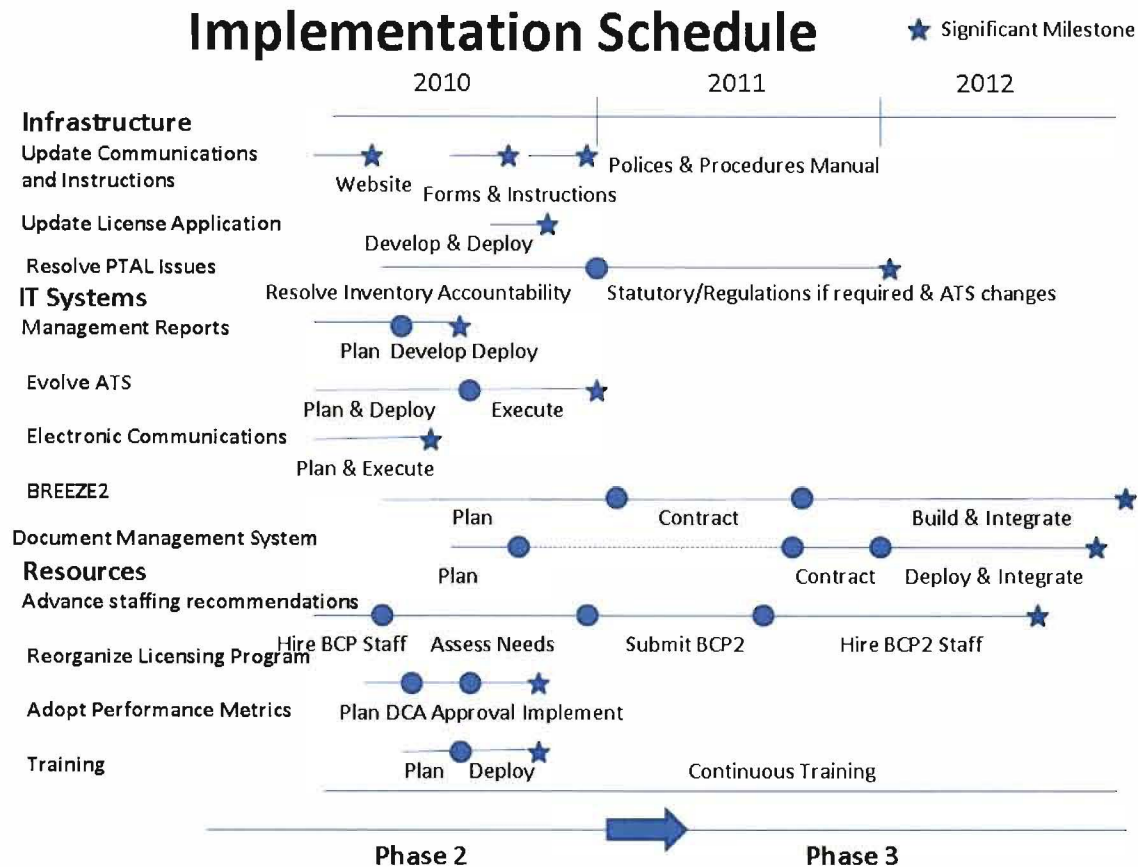
Phase 2 ¹includes those BPR Study recommendations to be worked on and/or completed by December 2010, and Phase 3 are longer-term initiatives that are considered cost effective recommendations but beyond the planning horizon and resource allocation of this study – Phase 3 activities will be planned in 2010 or in the case of BREEZE2 supported as part of Phase 2.

Below is a proposed Implementation Schedule which has as its priority to complete the majority of the BPR recommendations in 2010 with recognition that several items are significantly complex that it will take several years to complete, depending on resource allocations in 2011.

¹ Phase 1 activities were completed prior to January 2010 and were described earlier in this section.



Figure 1 - Implementation Schedule



The relative level of effort required to execute the Phase 2 tasks are estimated to be:

- Licensing Program Effort** – It is estimated that at least three (3) full-time equivalent staff will be required to completed the Phase 1 work currently underway and the recommended work to be executed in 2010 as part of Phase 2
- MBC Information Technology Effort** – It is estimated that approximately one-half (0.5) full-time equivalent staff will be required to complete the Phase 1 work currently underway and the recommended work to be executed in 2010 as part of Phase 2



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- **Other MBC Resources** – Additional staff time (as members of work groups and committees) will be required to complete the Phase 1 work currently under way and the recommended work to be executed in 2010 as part of Phase 2



Roles and Responsibilities

The implementation of the BPR process needs to be embraced as part of a broader continuous improvement process wherein the organization:

- Provides for a higher level of customer satisfaction
- Adapts a culture of embracing change rather than resisting it
- Is organized around functional responsibilities with appropriate levels of supervision
- Is built on trust and respect at all levels
- Has the infrastructure, information technology systems and resource levels appropriate to execute its mission
- Has the tools and perspective to manage the assignment of organizational as well as individual workload metrics
- Is a better environment to work and grow in one's career
- Is supported by its management to fully effect the recommendations outlined

Given the importance of this effort, it is imperative that the Licensing Program Chief and Management Staff be provided support from the Executive Director and the Board to assure the implementation of the recommendations:

- The Licensing Chief will need to spend a considerable amount of time (up to 30%) managing the implementation of this plan – being responsible both to the Licensing Team as well as the Executive Director, the Board, and the Licensing Committee for the Plan's execution
- Members of Licensing Program Management Team, reporting to the Licensing Chief, will be responsible for the execution of a large portion of the tasks as outlined in the plan



- Other MBC personnel including IT, GME Outreach manager, will be tasked with implementing specific support activities to execute the recommendations

Report Structure

The detailed report in the sections that follow provides overviews, observations, recommendations and an implementation plan for the licensing and renewal processes and supporting components.

The appendices contain detailed information on the staff roles and responsibilities, Business Process Maps for the Cashiering, Licensing, Renewal and Call Center processes, and additional observations related to these functions. This level of detail will provide value to the teams and individuals responsible for implementing the recommendations.